



Notice to Nebraska and Local Sales and Use Tax Permitholders

Effective **April 1, 2003**, the village of **Gresham** will implement a one-half of one percent (0.5%) local option sales and use tax rate. The cities of **Friend**, **Hebron**, **Seward**, and the villages of **Guide Rock** and **Paxton** will implement a one percent (1.0%) rate.

The city of **Columbus** will **decrease** its local option sales and use tax rate to one percent (1.0%). The cities of **Blair**, **Gering**, **Hastings**, and **Plainview** and the village of **Hemingford** will **increase** their local option sales and use tax rate to one and one-half percent (1.5%).

Retailers will remit the tax on their Nebraska and Local Sales and Use Tax Return, Form 10. Retailers using machine or computer billings are authorized to use a straight percentage for calculating the tax on such billings.

If you have any questions regarding the application of the local option sales and use tax, please refer to Nebraska and Local Option Sales and Use Tax Regulations 1-009, 1-016, 9-007, and 9-010 or contact one of our regional offices. You may also visit our Web site at: www.revenue.state.ne.us to get information.

Nebraska Cities with a Sales and Use Tax Effective April 1, 2003

Retailers making taxable sales of property or certain enumerated services, and businesses that owe local consumer's use tax must collect and remit or pay the 5.5% state sales and use tax, and the appropriate local sales and use tax if the property or services are delivered within the city limits of the cities listed below.

Retailers are required to write in the city name, city code, and tax amounts for any city not listed on their preprinted Nebraska Schedule I for which they have collected or reported a local sales and use tax. The information must be written in the blank lines of the Nebraska Schedule I. The new city information will be printed on the retailer's next Nebraska Schedule I.

The following table shows the city, city code, and the **TOTAL** (state and city, 6.0%, 6.5%, or 7.0%) sales and use tax rates that apply to taxable transactions occurring in those cities.

TOTAL RATE 6.0%		City Rate 0.5% (.005)		
Atkinson (88-023)	Elmwood(105-168)	Gresham(125-214)		
TOTAL RATE 6.5%		City Rate 1.0% (.01)		
Ainsworth(52-003)	Columbus(60-110)	Harrison(49-227)	Oakland(35-358)	S. Sioux City(40-446)
Albion(81-004)	Cortland(119-116)	Hebron(127-235)	Odell(59-362)	Spencer(109-448)
Alma(82-009)	Creighton(61-123)	Hildreth(89-243)	O'Neill(39-366)	Stuart(110-468)
Ashland(50-021)	Crete(18-125)	Hubbell(45-253)	Ord(115-369)	Superior(65-470)
Auburn(57-025)	David City(101-138)	Jansen(111-264)	Osmond(117-373)	Sutton(94-473)
Bassett(99-035)	Diller(67-147)	Kearney(38-269)	Oxford(84-376)	Syracuse(122-475)
Bayard(44-037)	Eagle(23-159)	Lewellen(5-281)	Paxton(128-384)	Terrytown(24-483)
Bennington(42-052)	Edgar(102-161)	Louisville(107-293)	Peru(93-386)	Uehling(70-491)
Bertrand(118-053)	Elkhorn(31-166)	Loup City(90-294)	Plattsmouth(121-394)	Verdigre(76-502)
Big Springs(100-055)	Eustis(106-176)	Madison(113-299)	Plymouth(47-397)	Wahoo(95-506)
Bloomfield(83-058)	Falls City(79-182)	McCook(103-312)	Ravenna(85-409)	Waterloo(19-512)
Blue Hill(71-060)	Friend(124-192)	Milford(63-322)	Red Cloud(74-411)	Wausa(123-514)
Bridgeport(32-068)	Fullerton(30-193)	Minden(55-327)	Republican City(64-412)	Wayne(58-516)
Broken Bow(66-072)	Genoa(120-199)	Mitchell(69-328)	Rushville(11-425)	Wilber(96-523)
Cedar Rapids(114-092)	Gibbon(72-201)	Neligh(91-341)	St. Paul(104-454)	Wymore(77-534)
Central City(78-094)	Gordon(8-206)	Nelson(80-342)	Schuyler(75-430)	
Chadron(13-096)	Grand Island(34-210)	Niobrara(73-349)	Seward(129-435)	
Chappell(12-099)	Guide Rock(126-217)	North Bend(92-353)	Silver Creek(116-442)	
TOTAL RATE 7.0%		City Rate 1.5% (.015)		
Alliance(27-008)	Fairbury(36-179)	Holdrege(54-245)	Norfolk(15-351)	Sidney(7-441)
Beatrice(17-039)	Fremont(62-191)	Kimball(9-273)	North Platte(4-355)	Tecumseh(86-481)
Bellevue(3-046)	Gering(37-200)	La Vista(14-274)	Ogallala(6-363)	Tekamah(87-482)
Blair(53-057)	Gothenburg(21-207)	Lexington(29-283)	Omaha(1-365)	Tilden(56-487)
Ceresco(25-095)	Hastings(33-230)	Lincoln(2-285)	Oshkosh(10-372)	Valley(41-498)
Cozad(26-119)	Hay Springs(68-231)	Lyons(108-298)	Papillion(28-382)	York(97-536)
Crawford(20-122)	Hemingford(48-236)	Nebraska City(16-339)	Plainview(46-392)	
Douglas(43-153)	Henderson(112-237)	Newman Grove(98-346)	Scottsbluff(22-432)	

Changes to the Form 10 Return and Worksheets

For tax periods beginning January 1, 2003, the Nebraska and Local Sales and Use Tax Return, Form 10, and related worksheets have undergone some changes to reduce production, postage, and other handling costs associated with processing the returns and worksheets.

Form 10 Change. For tax periods beginning January 1, 2003, the carbon copy was eliminated. Form 10 is now a one-part form.

If you need a copy of the return for your records, you will have to photocopy the return or complete a blank copy of the return which is available on our Web site at www.revenue.state.ne.us. You may want to consider filing your return electronically. If you have questions about filing electronically, please visit our Web site and click on "E-Filing" or call 1-800-433-8631.

Nebraska and Local Sales and Use Tax Worksheet Change. This worksheet was removed from the reverse side of Form 10. If you would like to continue to use this worksheet, it can be copied from our Web site or obtained by contacting our office. This worksheet should be maintained as part of your records and **not attached** to your Form 10 that is sent to our office.

Nebraska Schedule III Change. This schedule is now on the reverse side of the Form 10. You must continue to complete the worksheet as part of your Form 10 filing. If you would like a blank copy of this worksheet, it can be copied from our Web site or obtained by contacting our office.

Cigarettes

Because of the Unfair Cigarette Sales Act, retailers cannot sell cigarettes in this state below the established retail minimum selling price as calculated by the Nebraska Department of Revenue. To make sure that your retail selling prices are in compliance, please check our Web site. On our home page, click on the word "Cigarettes," then scroll down to "Minimum Selling Prices of Cigarettes." In addition to checking the minimum selling prices, please review the information contained in our current cover letter to wholesalers and retailers.

 **nebraska**
department
of revenue
PO BOX 94818
LINCOLN NE 68509-4818

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U.S. POSTAGE
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FOR NEBRASKA TAX ASSISTANCE

For All Tax Programs Except Motor Fuels

Contact your regional office or call **1-800-742-7474** (toll free in NE and IA)

or **1-402-471-5729**

Nebraska Department of Revenue Web site address: www.revenue.state.ne.us

A copy of the Taxpayer Bill of Rights is available by calling any of our regional offices or visiting our Web site.

SCOTTSBLUFF

Panhandle State Office Complex
4500 Avenue I, Box 1500
Scottsbluff, Nebraska 69363-1500
Telephone (308) 632-1200

NORTH PLATTE

Craft State Office Building
200 South Silber Street
North Platte, Nebraska 69101-4200
Telephone (308) 535-8250

GRAND ISLAND

TierOne Bank Building, Suite 460
1811 West Second Street
Grand Island, Nebraska 68803-5469
Telephone (308) 385-6067

NORFOLK

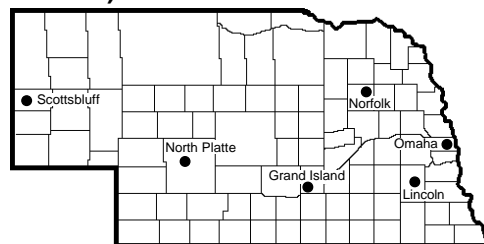
304 North 5th Street, Suite "D"
Norfolk, Nebraska 68701-4091
Telephone (402) 370-3333

OMAHA

Nebraska State Office Building
1313 Farnam-on-the-Mall
Omaha, Nebraska 68102-1871
Telephone (402) 595-2065

LINCOLN

Nebraska State Office Building
301 Centennial Mall South
Lincoln, Nebraska 68509-4818
Telephone (402) 471-5729



For Motor Fuels tax programs only call toll free 1-800-554-3835 (Lincoln residents call 471-5730).

Hearing-impaired individuals may call the Text Telephone (TT) at 1-800-382-9309. TDD (Telecommunications Device for the Deaf) is designated by the use of "TT," which is consistent with the Americans with Disabilities Act.